

BMO AND SPRINGFOUR DRIVE BETTER PORTFOLIO PERFORMANCE

An empathy-first collections strategy case study



Since 2018, SpringFour has been an integral element of banking and financial services giant BMO's efforts to provide financial wellness solutions to its customers and help them make real financial progress. Here's how this multinational bank and award-winning social impact fintech have teamed up to drive increased repayment rates and lower delinquencies and credit losses through S4pro, all while transforming their relationship with customers and achieving a significant ROI.

GOALS



BMO was determined to bring an innovative approach to help customers facing repayment challenges. By partnering with SpringFour, BMO aimed to provide a financial health solution during the loan servicing and collections process to get their customers back on track with their payments and on the path to a healthier financial future.



The bank also wanted to see if tackling ongoing challenges of payment performance, delinquency, and customer engagement might also increase repayment rates and decrease credit losses. This approach was devised to improve outcomes for struggling customers and boost business performance.

SOLUTION



With strong support from executive management, BMO deployed SpringFour's cloud-based contact center tool, S4pro, in its loan servicing and collections operations across its consumer loan portfolios. BMO's contact center and collections teams deliver customers customized, relevant financial health support in a few easy clicks using S4pro. While on calls, agents can quickly identify and share vetted nonprofit and government resources specific to the customer's ZIP Code and area of financial need – at no cost to the customer.

RESULTS AT A GLANCE*

\$1.9 MILLION
projected annualized credit loss benefit

5.49 X
projected ROI of one-year investment

91,000
financial health referrals delivered to customers

*based on a 2023 study of a portion of BMO's US portfolio



To help BMO customers achieve comprehensive financial wellness, SpringFour offers more than 23,500 local, statewide, and national nonprofit and government programs and resources for disaster relief, employment services, down payment assistance, food and utility savings, and more. These resources cover more than 700 markets, including every major city and metro area across the United States – an ideal solution for nationwide financial institutions like BMO.

“We're not in the business of collections. We're in the business of gathering information from a client, understanding what's going on in their lives, and finding a solution for them. People are thinking about where they're going to get the next meal from. When you have a bank that stands behind consumers, that's real financial progress. Now not only are we helping you manage your debt, but we are helping you manage how and where the next meal comes from.”

- Anuj Vohra, Head of North America Collections, BMO

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As featured in Tearsheet: [“The bottom line is empathy: BMO and SpringFour are changing what it means to bank on consumers’ financial progress”](#)

RESULTS



Since the launch of this partnership, more than 772,000 financial health referrals have been provided to BMO customers – reducing customers’ expenses, improving their cash flow, and freeing up money for loan payments. Providing access to these resources led customers to make payments more easily, prioritize their payments to BMO, and enhance their brand loyalty and trust.

In addition to benefiting customers, the financial benefit to the bank has also been substantial: in its last analysis, conducted over a 12-month span from May 2022 through April 2023, BMO projected an **annual credit loss benefit of \$1.9 million** in the consumer loan portfolios. BMO also delivered substantial credit loss savings with relatively low investment, with a strong **over 5x return on investment**. BMO management noted that ROI expectations are often used to allocate budget for new initiatives and that the ROI achieved in partnership with SpringFour was particularly compelling within the context of the industry.

SpringFour and BMO's partnership demonstrates the power of focusing on financial health with resources designed to drive more positive interactions and outcomes for customers and increased repayment rates, credit loss benefits, and ROI for the bank. Adopting empathy-first strategies doesn't merely support customers and enhance relationship management – it also makes business sense. Not only does this illustrate the importance of the bank/fintech partnership, which enables each partner to deliver impact that they could not deliver alone, but it also proves the power of placing financial wellness and empathy at the center of the solution.

“BMO Bank's strategic partnership with SpringFour has significantly enhanced our collection contact center operations. By swiftly connecting our agents with verified nonprofit and governmental resources tailored to customers' geographic needs, we've realized a substantial \$1.9 million reduction in credit losses. **This remarkable financial impact not only underscores our commitment to fiscal responsibility but also demonstrates our dedication to supporting the financial well-being of our valued customers.** This program exemplifies our proactive approach to community engagement, reinforcing BMO's position as a socially responsible financial institution focused on delivering tangible benefits to both our organization and the communities we proudly serve.”

- Jeff Begin, Head of US Collections, B2C Operations, BMO

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To learn how your organization can drive impact with SpringFour,
contact us at impact@springfour.com

